

BOARD OF DIRECTORS – ACTION SUMMARY
Wednesday, July 14, 2004 – 6:00 p.m.

Administration Building
2101 Hurley Way, Sacramento, CA

CALL TO ORDER

The meeting was called to order by Vice President Jones. Board Members present: Duveneck, Engellenner, Goold, Granados, Jones, Lawson, Trujillo, Valley. Staff: Fire Chief Martinez, General Counsel Price, Board Clerk Tilson.

PLEDGE OF ALLEGIANCE

PUBLIC OPPORTUNITY TO DISCUSS MATTERS OF PUBLIC INTEREST WITHIN DISTRICT JURISDICTION INCLUDING ITEMS ON OR NOT ON THE AGENDA

Drew Houghton, Director of Finance, was introduced by Fire Chief Martinez and welcomed on board as the newest member of staff; previously with the Port of Sacramento.

Deputy Chief Means informed the Board that Fire Engineer Brian Swindler was activated to military duty on July 9 for a minimum stay through October 2005. On behalf of Mr. Swindler and family, his extreme gratitude was conveyed for previous Board action taken to augment military pay with District pay that enables his family to remain whole during his deployment.

CONSENT AGENDA:

1. Board Meeting Action Summary—June 23, 2004

- **Board Action:**
Engellenner/Granados—approve the Consent Agenda. Directors Duveneck, Engellenner, Goold, Granados, Lawson, Trujillo, Valley, AYE. Director Jones, abstaining. Motion carried.

ACTION ITEM(S)

1. Election of Board Officers—(Jones)

The election of Board Officers was held with the following results:

President	-	Gay Jones
Vice President	-	Gregory A. Granados

AGENDA ADDITION—INVESTIGATOR JOB DESCRIPTION:

- Counsel Price stated the Investigator Job Description was considered by the Ad Hoc Committee this morning and requested for addition tonight to both the Policy Committee and Board meeting agendas; the Policy Committee considered the item. In his opinion based upon the facts presented, an appropriate emergency exists under The Brown Act of a severe staffing shortage within the District. He recommended addition as an Action Item requiring a super majority vote.
- The Policy Committee moved this item forward with unanimous support for action and the changes in the job description.
- **Board Action:**
Engellenner/Granados—approve addition to the Agenda as an Action item. Directors Duveneck, Engellenner, Goold, Granados, Lawson, Trujillo, Valley, Jones, AYE. Motion carried.

Placement on the Agenda as Action Item No. 6.

2. Pension Obligation Bonds—(Martinez/Appel/Houghton)

- A two-page staff report with attachments was submitted providing background information.
- At the June 23, 2004 Board meeting, staff reported that the District received information from CalPERS on two proposed cost increases associated with the PERS retirement system program and health benefits premiums that could impact the District between \$2.5 and \$3 million over the next 18 months.
- With the current interest rates less than the CalPERS' estimated earnings return resulting in a corresponding rate increase proposal, Pension Obligation Bonds (POBs) is a mechanism of refinancing the District's existing unfunded retirement liabilities at a lower rate, like our TRAN. Pay down of the District's existing retirement liabilities from the sale of the POBs will reduce our employer's contribution rate, freeing up funds to pay off the POBs over several years while enabling the payment of the increased medical premiums.

The validation process for participation in the POB is initiated to determine through the Court the amount of allowable funding.

- Staff recommends the Board designate the Board President, Board Vice-President, Fire Chief, Deputy Chief of Administration and Director of Finance as the District's representatives authorized to sign the financing documents associated with issuing Pension Obligation Bonds (POB), same as the TRAN; and authorize District staff to expend up to \$15,000 in preparation of a potential POB sale.

The necessary Resolution initiating the process authorizing the issuance of Pension Obligation Bonds will be brought back at the next meeting for adoption with a modification to include the unfunded retirement liability for SCERS in addition to PERS.

- Director Granados questioned the bond market demand at this time with other entities issuing the same type of bonds.

Board Action:

Valley/Goold—approve the staff recommendation. Directors Duveneck, Goold, Jones, Lawson, Valley, AYE. Engellenner, Granados, Trujillo, NO. Motion carried by a 5–3 vote.

3. Resolution No. 39-04—Declaring Specific Technical Services Electronic Equipment as Surplus—(Ritter)

- Staff recommends the Board adopt the Resolution declaring the listed Mobile Data Terminals (MDTs) as surplus for disposal from the District's permanent Fixed Asset inventory of the Technical Services Division.
- Deputy Chief Ritter stated local disadvantaged agencies are given first priority for distribution whether it is electronics of value or fleet equipment.

- **Board Action:**

Goold/Engellenner—adopt the Resolution. Directors Duveneck, Engellenner, Goold, Granados, Lawson, Trujillo, Valley, Jones, AYE. Motion carried.

4. Bid Award—Aerial Platform Truck—(Ritter)

- In response to a Request for Bids including specifications that detailed the specific parts and equipment required, the following bids were received:

KME	\$718,272.28
Sutphen	\$782,330.73

Staff evaluated the bids and KME did not meet minimum specifications—bid a steel ladder, not aluminum as specified. A steel ladder represents weight, liability and durability issues. Numerous other bid discrepancies.

- Funds were encumbered in the Fiscal Year 2003/2004 budget and this purchase is not included in FY 2004/2005 Vehicle Replacement Master Plans.
- Engine and Truck Specification Committees comprised of line and fleet participants provide input on apparatus.
- Staff recommends the Board authorize the purchase of one (1) Truck from Sutphen which is the lowest responsible bidder meeting the bid specifications.
- **Board Action:**
Goold/Duveneck—approve the staff recommendation. Directors Duveneck, Goold, Granados, Jones, Lawson, Valley, Trujillo, AYE. Director Engellenner, NO. Motion passed.

5. Prequalification of Bidders on Public Works Projects—(Horel)

- A three-page staff report provided an overview of the Prequalification of Bidders on Public Works Projects and the law enacted by the state legislature in 1999 that allows public agencies including special districts the discretionary authority to require licensed contractors to prequalify for the right to bid on a specific project or on any public works projects. The State Department of Industrial Relations (DIR) developed model guidelines as directed for rating bidders with a standardized questionnaire. The law mandates the use of a standardized questionnaire and uniform rating system, and the creation of an appeal procedure if this process is utilized.
- The prequalification process is optional and not required by state law, but if utilized, it only applies to public works contracts and not service agreements; therefore, only new construction and major renovation projects are subject.
- Staff recommends the Board adopt the DIR prequalification guidelines on a trial basis for the first two fire station projects followed by an assessment to determine whether the process should be followed on a permanent basis; and that the full Board serve as the appeal authority for which a contractor may appeal a disqualification from bidding.

The Board serving as the Appeals Board is appropriate since it is the ultimate authority within the District and staff would have a conflict of interest.

- The prequalification process establishes a group of responsible contractors authorized to submit bids who are also responsive to the technical specifications.
- Director Lawson recommended this process be brought back for approval on a permanent basis after construction of the two fire stations.

Concern was expressed and issue initiated in light of some valley contractors' failure to perform on projects.

- **Board Action:**
Goold/Duveneck—Directors Duveneck, Goold, Granados, Jones, Lawson, Valley, Trujillo, AYE. Director Engellenner, abstaining. Motion passed.

6. Investigator Job Description—(Means)

- The modified job description for position of Arson Investigation was before the Board on June 9, 2004, with no discussion and referral to the Ad Hoc Committee.
- Back before the Board due to a member of the Arson Investigator team returning to the line. The unit is faced with a significant workload and a minimized staffing level.
- Met and conferred with Local 522 on May 20, 2004, with labor and management in agreement on the fully executed job description, as presented; some changes affecting both experience and deletion of the ability of the Fire Chief to waive the educational requirement, a certification change, and deletion of some physical requirements.
- The Ad Hoc Committee met this morning and voted unanimously to approve moving it to both the Policy Committee and Board; The Policy Committee at its 5 p.m. meeting today approved referral to the full Board for adoption.
- Fire Marshal Dobson requested Board support stating this will allow flexibility to hire people internally or outside if no internal applicants.

- Pat Monahan, representing Local 522, thanked Chiefs Means and Dobson for work on reaching an agreement, the Board and Ad Hoc Committee members for providing ample opportunity for their involvement in the process.
- **Board Action:**
Goold/Engellenner—approve the Investigator Job Description. Directors Duveneck, Engellenner, Goold, Granados, Lawson, Trujillo, Valley, Jones, AYE. Motion carried.
- Director Lawson requested an e-mail copy of the Ad Hoc Committee Meeting Action Summary of July 14, 2004, distributed by Board Clerk Tilson.

PRESENTATION ITEM(S):

1. **California Special Districts Association Board of Directors, Region 2, Seat B—Call for Nomination—(Martinez)**

- Fire Chief Martinez distributed to the Board an additional report capturing the commitment necessary for the three-year term position.
- CSDA must receive nominations for the Region 2 seat by July 30, 2004; election to occur at the annual meeting on September 28, 2004.
- An additional vacancy for a one-year term may occur by the anticipated retirement of Rita Velasquez, Elk Grove CSD, in September.
- Director Greg Granados submitted a letter accompanied by his biography expressing interest in the nomination and the ability to fulfill the required commitment.
- In response to Director Goold, Board members or senior staff employees are eligible to participate in the nomination process.

Fire Chief Martinez stated Deputy Chief Appel is also available.

- **Board Action:**
Engellenner/Trujillo—nominate Director Greg Granados. Directors Duveneck, Engellenner, Goold, Lawson, Trujillo, Valley, Jones, AYE. Director Granados, abstaining. Motion carried.

President Jones stated if the additional one-year term occurs, it would be an excellent tag-team situation for Deputy Chief Appel to be nominated.

PRESIDENT'S REPORT—(Jones)

[Taken out of order after Closed Session]

- Director Engellenner suggested the Board vacancy appointment for Division 7 be considered on July 29 instead of July 28 at the regular meeting if there are a number of applicants.

General Board consensus for July 28 if the candidate pool is light; application filing closes on July 19 at noon.

FIRE CHIEF'S REPORT—(Fire Chief Martinez)

- Provided a summary of the 2004 Fireworks Season: 117 grass fires, 24 structures and 18 vehicle fires; 15 were fireworks related. Fireworks taskforce provided illegal fireworks enforcement; responded to 155 calls with 7 arrests. 1,500 pounds of illegal fireworks were removed from the streets during the 3-day enforcement period. Eight public displays were conducted. Inspected 245 fireworks booths.

Director Granados requested a copy of the State report on fireworks from Chief Dobson.

- 2 x 2 Meeting on August 4 at 9 a.m. at Kroeger Hall next to the City of Citrus Heights city hall. Citrus Heights participants to include Council members Roberta MacGlashan and Jeff Slowey, along with staff. Metro Fire to include the two resident Directors, Ray Trujillo and Grant Goold, along with the Fire Chief, Fire Marshal Dobson, Deputy Fire Marshal Stewart, and Chief Hartley. The agenda item is the capital facility fee with the District requesting the City of Citrus Heights collect our fees the same as the County and City of Rancho Cordova.
- July 28, 2004 – will be out of town for a meeting in Seattle and unable to attend the Board meeting unless the Board has a preference. Deputy Chief Latta to attend.

GENERAL COUNSEL'S REPORT—(Price)

- Meeting continuation of no more than 24 hours later only requires a Notice of Continuation to be posted on the front door if it is concluded July 28 that more time is needed for the Board vacancy interview process.
- Within the settlement authority provided by the Board of Directors, staff and Workers' Compensation Administrator have secured a stipulated settlement award in the case of Brian Evers vs Sacramento Metropolitan Fire District, WCAB SAC 336693 in the amount of \$17,297.50, plus costs for future medical treatment.

COMMITTEE AND DELEGATE REPORTS:**Executive Committee—(Stewart)**

- Next meeting: TBA

Communications Center Delegate—(Engellenner)

- 1,229 calls answered on July 4.
- The last day for Mr. Vanderveen was June 30. Ten additional working days credited as consultant to cover vacation, sick leave and CTO remaining on the books, ending today at 5 p.m.
- Next Meeting: July 27, 2004 – 10:30 a.m.

California Fire & Rescue Training Authority—(Goold)

- Next Meeting: September 16, 2004 – 10:00 a.m.

Finance Committee—(Valley)

- Next meeting: July 28, 2004 – 5:00 p.m.

Policy Committee—(Granados)

- Met today and moved the Fire Investigator Job Description forward; discussed work-related injuries over the last year with 276 injuries; Safety Committee to consider options to help prevent injuries.
- Next meeting: August 11, 2004 – 5:00 p.m.

BREAK FOLLOWED BY CLOSED SESSION 7:45 PM

[Taken out of order prior to President's Report]

RECONVENE TO OPEN SESSION 8:40 PM

Report by General Counsel Price:

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to California Government Code Section 54956.9(a) – One (1) Case

Douglas Peccianti vs Sacramento Metropolitan Fire District
Claim No. 6221020201

The Board provided settlement authority in this Workers' Compensation claim. If and when a settlement is effectuated, the terms of the settlement will be reported at a subsequent open session.

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Subdivision (b) of Section 54956.9: One (1) Case

The Board received information on the potential litigation. No action taken.

3. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

[Prior to Closed Session Item 2]

Pursuant to California Government Code Section 54956.9(a) – One (1) Case

Gary Monk vs Sacramento Metropolitan Fire District
Sacramento County Superior Court Action No. 04AS00665

The Board received an update. No action taken.

BOARD MEMBER QUESTIONS AND COMMENTS**Duveneck:**

- Suggested a letter from the Board be sent to Fire Engineer Swindler activated to military duty in Iraq wishing him God speed and offer assistance to his family if needed.

Goold:

- Echoed same sentiment.

Engellenner:

- Inquired about negotiations on the City of Rancho Cordova city hall property.

Fire Chief Martinez stated we are in the process of a contract. The City Manager has indicated they are going to move.

Counsel Price stated the shorter-term lease agreement is signed and the District will be paid during the interim.

Granados:

- Rancho Cordova City has a sphere of influence shown on their website which includes Rosemont as part of their proposal; recommended Board support if that is their position.

Fire Chief Martinez stated there has been no official LAFCo action; some council members indicated otherwise but we will check further.

- Dr. Kuntz passed away last Sunday in Rancho Cordova. He was a big part of the community.

Trujillo:

- Thanked those involved in the Ad Hoc Committee.
- Inquired about merger talks with Sacramento City.

Fire Chief Martinez stated there are no formal discussions on merger. Bigger concern is annexation and the District's willingness to amend the current mutual automatic aid agreement. He has gone on record that the only answer for this community is merging all the fire departments into one regional district because of the boundary drop circumstance – need a strong policy.

Lawson:

- On behalf of the constituents of Metro, he thanked Metro Fire and staff for the services provided on July 4.
- Thanked Station 109 for providing a ride along for he and his three grandchildren during the Carmichael event on July 3.
- Met his new cadet in training at Station 32 – he was in full gear working out.

Valley:

- Heard a news report about soldiers returning from Iraq on a plane. People gave up first-class seats to accommodate the soldiers to show their support.

Martinez:

- On behalf of the District, he did extend to Fire Engineer Swindler and his wife last week the District's support as he goes into this new phase and told her if she has any issues to feel free to call and we will take care of it and do all we can.

Jones:

- Thanked the Board for their support in electing her President.

ADJOURNMENT: The meeting was adjourned at 9:10 p.m.

Gay Jones, President

H. Peter Engellenner, Secretary

Charlotte Tilson, Clerk of the Board